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STATE FOR SCA/INS AND SCA/RA

E.O. 12958: DECL: 04/24/2017

TAGS: [KTFN](#) [PTER](#) [CE](#)

SUBJECT: SRI LANKA: INSUFFICIENT EVIDENCE TO RECOMMEND TRO  
DESIGNATION

REF: A. 4/23/2007 LEE-MOORE EMAIL AND PREVIOUS

[B](#). 06 COLOMBO 1653

[C](#). 06 COLOMBO 1568

Classified By: DCM JAMES R. MOORE, REASONS 1.4 C AND D

[1](#). (C) Embassy Colombo would support a designation of the Tamils Relief Organization (TRO) if convincing evidence of TRO financial links to the Liberation Tigers of Tamil Eealam (LTTE) exists. Post has not seen solid evidence against the TRO and is therefore not in a position to make the case for designation.

[2](#). (C) Post's current views on and knowledge of the TRO are as follows:

- The TRO does legitimate work. Some of its project outputs may get diverted to LTTE use. It has not been established whether this is forced or voluntary.
- USAID has a policy of not collaborating with the TRO to avoid any possible risk of USAID funds being diverted to the LTTE. Embassy officers have occasionally met with TRO representatives (ref B).
- The Government of Sri Lanka (GSL) has not banned the TRO nor closed its offices. The GSL is investigating whether the TRO diverted tsunami funds to the LTTE. In support of the investigation, Sri Lanka's Financial Intelligence Unit has frozen the TRO's bank accounts and police have seized computers and other evidence from TRO offices (ref C).
- We are told that the evidence the GSL used to get the authority to freeze the funds was basically the evidence in the FBI indictment in the LTTE arms procurement case. The GSL's initial freeze of TRO accounts was for six months, and the attorney general recently obtained a court order to extend the freeze for another twelve months. It appears the GSL lacks sufficient evidence to get a court order to close the TRO down.

[3](#). (C) To ensure that all relevant evidence potentially linking the TRO with the LTTE is considered, Embassy urges Washington interagency terrorist finance officials to communicate with the FBI office conducting the continuing investigation that led to the arrest of 15 people (and later more) for attempting to buy arms for the LTTE in the United States. Post's Regional Affairs Office and Treasury rep believe the FBI, as a result of this investigation, likely has the best information on possible TRO financial links to the LTTE.

BLAKE